

Housing Development Work Group

July 11, 2006 2:00 – 4:00

Next meeting: August 22, 2006 2:00 – 4:00 pm

Location: Pavilion Building, 4th floor Conference Room, Montpelier, Vermont

Present: Ken Liberto, VAMH
 Elaine Soto, HCHS
 Kathleen Berk, Vermont State Housing Authority (VSHA)
 Claude Arsenault, WCMHS
 JoAnn Troiano, Montpelier Housing Authority
 Graham Parker, HCRS
 Cathy Voyer, AHS-Housing & Transportation
 Hillary Cole, CMC/Safe Haven
 Linda Corey, VPS

Guests: Morgan W. Brown
 Erhard Mahnke, Vermont Affordable Housing Coalition (VAHC)

Staff: Brian M. Smith, VDH/DMH
 Judy Rosenstreich, VDH/DMH

Opening comments by Ken and others affirmed the need to focus on the charge laid out in the Futures Plan for the Housing Development Work Group. For reference, it is re-printed here:

Context

Housing is ranked as one of the most important priority areas for development by the VSH Futures Advisory Committee.

The Secretary of AHS in his February 4, 2005 report to the Legislature recommended that \$400,000 be appropriated for new housing initiatives as part of the Futures Plan.

The Mental Health Division plans to request a housing appropriation for the 2008 fiscal Year. As most housing development and any initiative involving HUD takes at least 18 months from concept to implementation, it is timely to begin work on this now.

Charge

Organize a multi-stakeholder work group to:

1. identify what types of housing initiatives could be supported with these resources;
2. address how this relates to existing housing initiatives including the Governor's housing affordability plan;
3. develop a recommendation about what housing initiative(s) would have the most impact for the Futures Plan; and
4. recommend who and how the initiative(s) should be staffed and operated.
5. Report the recommendations back to the Futures Advisory Committee for discussion and final recommendation to Agency of Human Services Secretary Cynthia LaWare.

Overview of State and Federal Housing Resources

Erhard Mahnke from the Vermont Affordable Housing Coalition was welcomed. He had been invited to give a "Housing 101" presentation to help the group to understand and consider the broad scope of housing resources. Erhard described the coalition as a 60-organizational member statewide group that follows federal and state policy developments and advocates for housing initiatives and priorities that are backed by the coalition's membership. He emphasized that the number of housing units needed is very large as there simply is not enough affordable housing available. This situation affects everyone across the board.

Of particular interest to the Futures group is the impact on individuals receiving SSI. Based on the national standard that 30 % of household income should go for housing, an SSI recipient can afford \$190 / month for housing. (This figure represents approximately 1/3 of monthly income on SSI.) This is inadequate as the Fair Market Rate (FMR) for housing has climbed to the point where a 1-bedroom Section 8 apartment averages \$514 / month.

Likewise, a

2-bedroom apartment for the Section 8 program averages \$723 / month.

Erhard put the affordability gap in another context, that of wages or what it takes to afford a 1-bedroom apartment--\$9.88 / hour in wages—and for a 2-bedroom apartment—\$13.90 / hour in wages.

Other statistical indicators that Erhard presented include:

- about 4,000 folks annually must rely on shelters at some point during the year
- Section 8 voucher program
 - ✓ 6,028 Section 8 housing vouchers exist statewide; average utilization is 98%
 - ✓ Vermont receives \$30 million / year in Section 8 from the federal government for actual rent subsidies (for only the voucher program)
 - ✓ \$5,000 is the annual value of each Section 8 voucher
 - ✓ Vermont housing authorities have done more than many other states in designating vouchers for disabled individuals
 - ✓ Section 8 vouchers serve:
 - 65 to 70 % elderly and people with disabilities
 - 7% people on public assistance
 - 13% working families

Erhard distributed information in hard copy, including:

- Internet links of interest
- Final FY 07 Appropriations for Housing (from the Vermont Affordable Housing Coalition)
- FY 07 Budget Chart for Selected programs (from National Low Income Housing Coalition)
 - HUD budget as passed by the House
- “Senate panel funds rural housing for 2007 ” (from Housing Assistance Council – HAC News, June 28, 2006)
 - Rural Development, Sec. 515
- Federal & State Housing Funding Resources in Vermont (from VT Affordable Housing Coalition, November 2004)
- Between a Rock and a Hard Place: Housing and Wages in Vermont (from Vermont Housing Council and the Vermont Housing Awareness Campaign, February 2006)

Erhard’s general observations includes:

- 1976 and 1978 were the high water marks in HUD funding
- Senator Diane Snelling (R-Chittenden) was instrumental in securing the \$90,000 increase in the Housing Contingency Fund
- Section 8 and the Community Development Block Grants (CDBG) both were created under President Nixon
 - Vermont’s CDBG funding:
 - State receives an allocation (\$7.5 million in FY 07)
 - City of Burlington receives its own allocation (\$900,000)

Erhard will review his final FY 07 report of the legislature’s actions on housing. Judy will follow up with Erhard for updates to some of the above-referenced materials.

General Discussion

Kathleen, speaking from the perspective of the state housing authority, suggested that we need to determine the *number* of individuals who will need to be served and *what* their needs will be. Are we talking about 50 people or 200 people, she asked. This is in the context of replacing the current state hospital with new inpatient and community programs.

The group considered how they should tackle the task of prioritizing need across the state. Collectively they decided that VDH-DMH staff should work on developing a two page data report that would be a trend analysis of VSH admissions and housing needs of those persons when they were ready to exit hospital care. The analysis could include information on numbers of first time admissions...

- with or without housing,
- with or without employment,
- with or without a disability determination.

Brian Smith will take the lead on this task and he will confer with Ken and Judy on this project. In addition, the information gathered will be sent out to committee members at least one week prior to our next meeting.

Scope of Group's Charge

The group is working to assess housing gaps that impact the mental health community and to develop recommendations to mitigate those gaps. It was agreed that the group's charge is to look not only at data flow from the state hospital but also at the broader question of what is needed for mental health consumers being served in the community.

The meeting adjourned at 4:00 p.m.

SUBMITTED BY: Judy Rosenstreich
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